

INITIATIVE FOR CONSERVATION IN THE ANDEAN AMAZON

# Annual Report

## 1. PROJECT COVER SHEET

**1.1 NAME OF THE PROJECT:** ADVANCING LANDSCAPES IN THE ANDEAN AMAZON (ASLAA)

**1.2. DATES (START/FINISH)**

AGREEMENT/ CONTRACT

Sun, 30/09/2012 - 00:00 to Tue, 29/09/2015 - 00:00

WORK PLAN PERIOD

Mon, 01/07/2013 - 00:00 to Sun, 30/09/2013 - 00:00

**1.3. PRIME PARTNER:** RAINFOREST ALLIANCE

**1.4. NAME OF PROGRAM MANAGER**

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**1.5. NAME OF AGREEMENT OFFICE REPRESENTATIVE OR CONTRACT**

OFFICE REPRESENTATIVE: MONICA SUQUILANDA

**1.6. NAME OF ALTERNATE AOR OR COR:** MONICA ROMO

**1.7. MECHANISM NUMBER:** AID-OAA-A-11-00055

**1.8. OVERALL PROGRAM DESCRIPTION:** Our strategy is premised on addressing the principal threats to biodiversity and their drivers identified in two landscapes that have the most significant impact and can be countered directly given the experience of Rainforest Alliance (RA) and its partners to optimize impacts locally. The threats include habitat degradation and loss due to wholesale deforestation or land-use conversion, while the drivers of these threats can be grouped into three areas: a) limited institutional capacity by local governments and communities for natural resource management; b) limited participation in and access to programs by local groups for resource management and sustainable production chains; and c) weak organizational capacity and market linkages of local producers and operators to grow local economic opportunities. RA and its partners, AIDER, and ECOLEX, designed this project to conserve biodiversity in two landscapes, Sucumbíos/Napo, Ecuador and Cusco/Madre de Dios, Peru. In the first landscape we work in the Cuyabeno Wildlife Reserve (CWR), the Limoncocha Biological Reserve (LBR) and the buffer zone of Sumaco – Napo Galeras National Park. In Madre de Dios (MDD), we work in the district of Tambopata in the communities of Tres Islas, Palma Real, Infierno, Sonene, and Puerto Arturo. We also work with the Brazil nut gatherer associations RONAP, located alongside the interoceanic highway, and ASCART, in the Tambopata National Reserve (TNR). In Cusco, we work in La Convención and Calca Provinces. Within the CWR, we work in

the tourism area and with the Siona communities of Tarabeia, San Victoriano, and Puerto Bolívar, for a total of 130,000 ha. The LBR is located in the Shushufindi canton close to Yasuní National Park. In the buffer zone of Sumaco-Napo Galeras National Park we work in the Hatun Sumaco parish, which includes the Hatun Sumaku, Wawa Sumaku, Wuamaní, Patco Sumaku, Pucuno Chico, Volcán Sumaku and Challuayacu indigenous communities. In Tambopata, we work with the Ese Ejas, Shipibos, Yine, Amahuaca, and Kicharunas ethnicities representing 75,000 ha approximately. In upper and middle Tambopata, we work in the Filadelfia area with tourism operations, representing approx. 3,000 ha. The combined land area managed by ASCART and RONAP totals forest concession areas of approx. 70,000 ha. In La Convención Province we work in Quellouno and Echarate districts and in Calca Province in Yanatile district, within the Ivochote and Laco-Yavero watershed and cover 13,500 ha of the following cooperatives: Bioazul, Jose Olaya, Chaco Huayanay, Paquivo, Alto Urubamba, and Mateo Pumacahua and Asociacion Agricultura Ecologica.

## **2. STRATEGY OVERVIEW**

### **2.1. INTERMEDIATE RESULTS**

#### **2.1.1 IR1 – Selected Landscapes Managed Sustainably**

The main achievements in FY13 included below will allow us to work toward addressing the principal environmental threats of habitat degradation and loss due to wholesale deforestation or land-use conversion we have identified through our interventions under the three USAID Activity Results (AR) for Area-Based programs.

Under AR1, *sound landscape planning and use of sustainable natural resource management (NRM) practices*, our main achievements are listed below.

*To work toward strengthening the capacity of local actors and government entities for natural resource management, we achieved the following:*

- Through a joint effort with the Ecuadorian Ministry of Environment (MAE), the CWR now possesses key baseline information of tourism activities, which led to the development of a tourism operations regulations manual covering key topics such as codes of conduct, transportation regulations, and environmental compliance.
- To help the Ecuadorian authorities better respond to future incidents similar to the armed robberies and kidnappings occurring in CWR during this period, we facilitated meetings with CWR and tourism stakeholders to identify risks and mitigation measures, which will be part of an official risk management plan.
- To help improve the planning and management of CWR and LBR in Ecuador and the TNR in Peru, we adapted the criteria for sustainable destinations defined by the Global Sustainable Tourism Council and converted them into a field tool, which was used to measure the level of compliance in the three protected areas.
- We began consultancies to identify the socio-economic and cultural factors related to forest use in the Hatun Sumaku Parish, to analyze existing naranjilla and cocoa production practices in Parish, and analyze the naranjilla value chain; which will inform our intervention strategies.

- MDD and DIRCETUR now has a consolidated geographic database with the location and details of existing and 30 new tourism attractions and resources in and around the TNR to be utilized as an input for establishing conservation and NRM strategies and plans, promoting public or private investments in the attractions, and as well sustainable tourism in the region.
- To improve the management of tourists in Lake Sandoval, TNR's main tourist attraction, we carried out a study with TNR authorities on the limits of acceptable change, which resulted in regulation agreements between public authorities and tourism operations, the establishment of monitoring criteria, and becoming a regional reference for managing tourism attractions.
- To advance improved land use planning in Cusco, we collected baseline information on 8,740 hectares and 452 producers in Lacco Yavero and Ivochote.

*To help local actors and governments develop NRM plans that better reflect the local environmental and economic realities and needs, we achieved the following:*

- The sustainable tourism strategy preparation document for CWR with the recommendations and observations included was presented to the national biodiversity director for review and approval.
- Eleven risk management plans for tourism operations working in CWR were developed in cooperation with the National Secretariat for Risk Management (SNGR). These plans will be approved by the SNGR and a simulation will be conducted to test the effectiveness of the proposed plans.
- We are facilitating the development of the Hatun Sumaku parish land use plan, a powerful planning tool for territorial development, with active support from SENPLADES (National Secretary for Planning and Development).
- In Peru, we provided technical assistance to the MDD government to incorporate sustainable tourism criteria in the TNR tourism management plans (Alto Tambopata – Collpas Colorado and Chunchu); tourism operations using the reserve attractions will now be required to implement the criteria.
- We carried out an analysis of the tourism competitiveness of TNR, which is being used by DIRCETUR to guide activity planning.
- We helped five native communities (Puerto Arturo, Boca Pariamanu, Tres Islas, Infierno and Palma Real) improve their timber harvesting planning of communal forests through the development of forest inventories and five year management plans, resulting in more informed resource use decision making, better benefit distribution, reduced forest impact, and compliance with existing legal regulations.

Under AR2, improved environmental governance, our main achievements are listed below.

*To work toward strengthening the capacity of local actors and government entities for natural resource management, we achieved the following:*

- To help CWR, LBR, and Yasuni staff meet MAE naturalist guide regulations, we helped train 68 existing and new guides through two guide courses and a canoe motorist course.
- In MDD, environmental governance diagnostics and resulting improvement plans for the producer groups and communities AFIMAD, RONAP,

PALSAMAD, Tres Islas and Puerto Arturo were developed. In addition we helped ASCART and AFIMAD develop strategic plans, which are currently being validated by their members.

*To improve local participation in accessing, using and managing natural resources*

- Cuyabeno tourism operators association (FERTOC) was created as a way to strengthen the tour operators' capacities for sound natural resource policy development and management, including the ability to negotiate with other tourism stakeholders.
- We strengthened the technical support group responsible for updating the Regional Biodiversity Strategy of the Regional Environmental Commission (CAR), resulting in obtaining the commitment of the partner organizations to work together, and defining the methodology for updating the strategy.
- In Infierno, Boca Paríamanu, Tres Islas and Puerto Arturo we helped establish forest management committees to help direct and control forestry activities in communal forests.

*To improve policies, laws, or agreements for management and administration, we achieved the following:*

See section on Improve Policies and Policy Implementation.

*To help clarify or resolve land tenure issues, we achieved the following:*

See section IR2.

Under AR3, improved sustainable livelihoods and ecosystem resilience, our main achievements are listed below.

*To improve understanding and application of best management practices, and increase weak market penetration and competitiveness we achieved the following:*

- To improve the quality of tourism services in the CWR and LBR, increase the adoption of tourism best management practices, and provide employment opportunities for communities we facilitated training for 68 participants. The training in the CWR was coordinated with MAE and World Wildlife Fund (WWF), and was focused on training new guides and existing naturalist guides already working in the reserve. In LBR, the course, co-funded with the support of the British Embassy, which was a first for the protected area.
- During Travel Mart in Ecuador, an annual event to promote tourism in the region, we organized and participated in a seminar on protected areas and tourism. A group of panelists with extensive experience in sustainable tourism supported the idea that tourism can be an effective conservation tool for biodiversity in protected areas.
- AFIMAD, RONAP, ASCART and PALSAMAD producer organizations improved their capacity to access funding from lenders, and market access by obtaining better commercial agreements. ASCART obtained a loan of \$52,000 and RONAP \$18,000, to fund its Brazil nut harvest.
- RONAP acquired additional land (.38 ha) for the construction of its processing plant from revenue resulting from the Brazil nut harvest trade agreements we supported. In addition, we facilitated an agreement between the Brazil nut buyer CANDOR who works with Costco and ASCART resulting in the former utilizing

ASCART's processing plant for its product, thereby providing the latter with an additional three months of operation.

- RONAP, AFIMAD and ASCART also increased the profitability of their Brazil nut operations by improving the terms of sale with old and new customers. On average they improved their sales value by 30% through agreements with CANDOR.
- In an effort to support income diversification, we also helped the producer organization PALSAMAD develop their annual Brazil nut operation plan and carry out a non-timber forest product (NTFP) inventory.
- In Palma Real, Tres Islas, Puerto Arturo, and Boca Paríamanu native communities in MDD, we facilitated the completion of participatory forest inventories, communal forestry planning agreements, and annual timber operations plans approved by the regional forest authority.
- Credit organizations, RESPONSABILY and ECOCREDIT included the rehabilitation and renovation of 400 hectares in Cusco through 50 farmer loans in their agendas.
- Four model farms have been installed in La Convención, Cusco, and will serve as instruments for training for coffee and cocoa producers, local authorities, and cooperatives in the region in farm level planning and improving production and competitiveness.
- To confront the challenge of a substantial reduction in coffee production in Cusco created by the Roya, a plague produced by a fungus, we trained 390 producers and rehabilitated 60 hectares of coffee in 80 farms using a technical proposal focused on recuperating production with reduced labor and input costs without the use of chemicals.
- Two tourism operations in MDD qualified for non-reimbursable financing from the government program Biocomercio of \$14,500 each to strengthen the tourism products they offer.

*To improve capacity for natural resource management and access to government and other conservation and development programs*

- We are providing technical support to the Cuyabeno parish, who recently obtained funding from the Fondo Italo Ecuatoriano (FIE), to reduce the increasing levels of pollution in CWR by improving inorganic waste management in the Cuyabeno and Aguarico watershed.
- In Ecuador, we facilitated a visit by the regional MAGAP representative to present the national reforestation incentives program to project communities, solidifying the interest of several communities in participating in the program.

### **2.1.2 IR2 - Key Elements of Natural Resources Governance Functioning in Critical Landscapes**

Our main achievements under IR2 during the reporting period are related to USAID's following line of actions:

*Line of action 2 - Promote the application of territorial conflict management mechanisms*

- We facilitated the resolution of a 16 year border dispute between native communities Tres Islas and San Jacinto in Madre de Dios.
- In the Peru landscape, we came to an agreement with the Department of Legal and Physical Sanitation for Rural Property to strengthen their office through technical assistance aimed at updating information for titling of indigenous communities, and validating the resolution of territorial disputes.
- We continued supporting the conflict resolution process between Infierno and TNR. A memorandum of understanding has been signed, and the required legal documents have been presented to SERNANP for its approval. Subsequent to receiving SERNANP's approval, the Ministry of Agriculture has to provide the final approval, and update the land title resolution.

*Line of action 3 - Develop capacities of authorities and indigenous peoples in the comprehension and management of mechanisms for land regularization, environmental rights and indigenous rights*

- We strengthened our relationship with FENAMAD, the highest regional representation of native communities in MDD, to coordinate work and validate our interventions in native communities in areas such as land conflict resolution and revision and adjusting communal statutes.

*Lines of action 5 and 6 - Desarrollar capacidades de la sociedad civil y organizaciones indígenas para incidir en la toma de decisiones ambientales and Providing access and dissemination of environmental and natural resources information.*

- During the first quarter of the reporting period, we established an agreement with MAE to provide technical assistance in forest governance, through which we supported the development of a preliminary document for forest control and final destination regulations.
- We were integrated into the forestry and naranjilla round tables in the Napo province. The goal of the dialogue spaces established is to carry out institutional arrangements that strengthen and institutionalize environmental governance in the province, with the inclusion of local interests in provincial policies. These roundtables will be key spaces for promoting the adoption of improved land management and livelihood practices. We began providing technical assistance to the naranjilla round table by conducting a diagnostic of the current status of the round table, and facilitated a strategy development workshop resulting in the adoption of a line action supporting the implementation of best management practices.
- In Ecuador, a process of systematization and analysis to identify training needs on specific topics to be included in training content is being carried out utilizing the information collected at the community and autonomous decentralized government levels. However, some critical topics such as tax authority processes, INCOP participation, and labor relations have already been identified. This participatory process will help increase the interest of

community leaders to improve their management skills and use of land use plans.

- The autonomous decentralized government of Napo province has asked that we utilize their School of Environmental Leadership to help train community leaders. A curriculum of four themes will be offered: citizenship, conflict management, governance and organizational strengthening. The participants will select three of the four topics.
- In Peru, the forestry dialogue and coordination round table in Madre de Dios was reactivated in coordination with several other local actors including WWF, ACCA, AIDER, Rainforest Alliance, SPDA, and the regional government; one of the first activities was to contribute to the development of forest regulations and funding proposals. The round table is the first step to creating the community forest management platform, where the communities will contribute to the development of forest regulations.
- In coordination with the Ministry of Agriculture and other organizations we supported the development of a coffee roundtable in the La Convention Province in Cusco; through it we will promote the implementation of sustainable management practices for agriculture.
- To work toward improving natural resource management policies in the Ivochote and Lacao Yavero municipalities of the La Convencion province, we contributed to the formulation of the La Convention cocoa roundtable strategic plan; the plan is the basis for formulating the cocoa strategy for Ivochote and Lacao Yavero.
- Our active presence in the cocoa roundtable in Cusco also facilitated access to the Echarati municipality to analyze the cocoa strategic plan for the Echarati district focusing on the Megantoni buffer zone. Several meetings with municipality members allowed us to establish an agreement to jointly formulate a policy to promote sustainable agriculture supported by the county government.
- Continuing the training program for public officials in sustainable tourism in MDD, we have designed a new training module.

### **2.1.3 IR3 – Increased Capacity to Utilize Payment for Environmental Services (PES)-like and other Economic Incentive Programs**

- AFIMAD obtained Fair-Trade certification for its 140 Brazil nut members, which will allow them to strengthen their organization and participation of their partner communities.
- ASCART obtained a loan of \$52,000 and RONAP \$18,000 from the state economic incentives for competitiveness program PROCOMPITE. PROCOMPITE, through the municipalities of Echarate, also included 36 farmers with the provision of materials for rehabilitating coffee plantations affected by coffee roya.
- Two tourism operations in MDD qualified for non-reimbursable financing from Biocomercio, the government program for economic incentives for forest

products and services of \$14,500 each to strengthen the tourism products they offer.

- The Jose Olaya Cooperative with 60 coffee farmers in Laco Yavero and Quellouno, and Empresa BioAzul in Cusco with 136 coffee farmers obtained the Sustainable Agriculture Standard (SAN) certification.

#### **2.1.4 IR4 – Greater Understanding and Solutions for Key Environmental Issues**

- We are developing a geographic and spatial database with metadata for Madre de Dios and Cusco to support the implementation, analysis and evaluation of some of our activities. This is part of a group of information sources that will also include socio-economic and biological studies databases in the intervention area, and will support the implementation of several case studies, landscape prioritization analyses, the establishment of biodiversity conservation baselines, and connectivity analyses.
- The methodology for the landscape analysis was developed including the analysis of land use and land cover change, identifying important biodiversity areas and determining the opportunity cost for Napo and Cusco landscapes. To assure that the results of these analyses will support the planning processes of local governments, the methodology will be presented and coordinated with key government personal.

## **2.2 CROSS-CUTTING THEMES AND USAID KEY ISSUES**

### **2.2.1 Improve Policies and Policy Implementation**

Our work mainly contributes to the line of action 1: *Develop, adopt and support the implementation of policies, laws, agreements and environmental regulations.*

- In Ecuador, a tourism operations regulations manual developed for CWR, LBR, and Yasuní National Park was shared with key stakeholders such as reserve rangers to improve their skills in controlling and monitoring tourism activities and operators; the reserves are already implementing several regulations such as the prohibition of catch and release piranha fishing.
- The Ministries of Tourism, Interior, Defense and Environment signed an interagency agreement to strengthen and improve security in the tourism areas of CWR. The agreement is a positive response to the insecurity issues and reflects the initiatives we have been supporting such as: basic security protocol and communication systems for the tourism areas. Subsequently, the MAE and Tourism Ministry held a meeting to define commitments and actions, such as joint patrols and community brigades.
- In our role as advisors to MAE, we participated in an analysis to clarify the potential of reforestation with respect to the rate of deforestation that occurs annually in the country. In addition, we helped analyze the issues revolving around the prohibition CITES mahogany and cedar species in Ecuador. The conclusion reached was that as opposed to benefiting the conservation of these species, the prohibition has created an informal market. Consequently, it was agreed that the



harvesting of the two species should be regulated in order to gain more insight as to their use and dynamics in order to be able to make decision on appropriate conservation measures.

- In Ecuador, we helped MAE get one step closer to more effective environmental regulation of the tourism operations operating in CWR by better understanding the impact of environmental threats created by the operations, providing technical recommendations for improving environmental compliance, and developing a simplified environmental datasheet to measure and monitor compliance.
- As part of the preparation of the management plan for protected forest Cerro Sumaco y cuenca alta del río Suno, a participatory process was implemented to determine the zoning of forest areas in permanent protection zones and areas of native forest management. Likewise, agroforestry areas and degraded areas where reforestation will be implemented were defined. This zoning will be also used as an input for the development of the land use plan for the Hatun Sumaku parish.
- In Peru, we assisted in the development of a natural resource use plan for the community of Infierno through participatory work with the leadership and community members of Infierno. The plan was presented to the community assembly and in the future will be included in the community statutes to be used for setting policy guidelines for the use of natural resources.
- In coordination with the Ministry of Agriculture and other organizations, we supported the establishment of the coffee round table in the La Convention Province in Cusco; through it we will promote the implementation of BMP for sustainable agriculture.

### **2.2.2 Increase Gender Awareness and Gender-related Program Outcomes**

During the period, we increased our capacity and knowledge of gender and biodiversity and climate change, and how to develop a gender analysis of project activities and a gender strategy. We achieved this through eight workshops with project staff and beneficiaries, including one in Colombia. The exercise enabled us to both identify existing activities supporting gender equality and others with potential for doing so. Some examples of what we accomplished over the past year are summarized below.

We had 3,426 participants in our training events in Ecuador, with an average participation of 35% of women. Of note was the high level of participation of women in the validation of training necessities workshops, where their participation reached 50%.

Meanwhile, capacity building in the community Infierno had an average female participation of 45%, and Brazil nuts processing training in ASCART had an average participation of 76% females. Additionally, our support of the commercial agreement between CANDOR and ASCART increased the economic benefits received by the female Brazil nut peelers by providing three months of additional work. Finally, the loan we helped ASCART obtain will help improve the working

conditions of the female peelers by for example constructing appropriate washroom facilities.

### **2.2.3 Strengthening of Selected Regional Organizations and Institutions**

N/A

### **2.2.4 Improve Region-wide Capacity for Conservation through Training**

- To improve the quality of tourism services in the Cuyabeno and Limoncocha reserves, and to help them meet the MAE naturalist guide regulations, we facilitated training for 68 participants. The training in the CWR was coordinated with MAE and WWF, and was focused on training new guides and existing naturalist guides already working in the reserve. In LBR, the course was a first for the protected area, but was overdue due to the recent growth of tourism in the reserve together with an absence of trained naturalist guides. With the support of the British Embassy the training included 28 people from local communities. In addition, a motorists course for Limoncocha community members and Cuyabeno and Yasuní ranger was held to obtain an official permission by the authority in fluvial transportation
- The Hatun Sumaku parish government was trained in the legal framework for land use planning and in roles and functions of the different authorities at a national, provincial, cantonal and parish level.
- Legal provisions for state heritage areas, land tenure and land use plans have been reviewed with the communities.
- Sensitization and awareness for conservation in the project encourages partners and beneficiaries to make more reasonable decisions in forest resource management. For example, the change in forest planning in the communities from an annual planning period to a 3-year planning, the reduction of intensity of extraction, and the adoption of BMPs in Brazil nut concessions all support improved capacity for conservation, and are a result of ongoing training, technical assistance and conservation awareness implemented in the Tambopata National Reserve and buffer zone.
- The training of trainers in the Ivochote area where we are training four local government technicians in BMP, productivity and quality and marketing is an essential tool to reach a substantial number of additional farmers in the area.
- We helped DIRCETUR strengthen its capacity to regulate and coordinate with tourism operations in MDD and incorporate sustainable tourism strategies in their activities by training their personnel in MDD in the application of sustainability criteria in tourism activities.
- Since project inception, we incorporated a Theory of Change (ToC) into our program planning and evaluation approach to create a commonly understood vision of our long-term goals, a strategy for reaching those goals, and indicators that we will use to measure progress in achieving our goals. We are actively using this robust system for results-based planning, management and monitoring to assess the effectiveness of our actions to reduce the drivers of deforestation and habitat loss in the Andean Amazon. In order to make this methodology a guiding

tool in implementing the project, a great deal of effort and time has been invested in training personnel from all three consortium partners continuously over the last two years so that we now have enhanced capacity for conservation. As a result of the training, staff now understands the benefits of this tool for project implementation and we are effectively using the ToC to propose and carry out activities that demonstrate results that will ensure greater and more holistic impact by addressing the drivers of the environmental threats present in the project landscapes. This is in contrast to many previous and existing conservation projects, wherein a conceptual framework methodology is used in the design phase, but often given less importance as a reference or adaptive management tool during project implementation.

### **2.2.5 Increase Indigenous Peoples' Participation**

In terms of increasing the capacities of indigenous peoples for territorial management we achieved the following:

- The indigenous people living in the project area have revitalized the importance of participation in natural resources management processes through the adoption of best practices to sustainably manage and conserve biodiversity, for what capacity events have been conducted on issues concerning land use plans, state heritage areas, management plans, state incentive programs, BMP for agriculture and handling of river boats.
- We established a solid relationship with FENAMAD in MDD and have been working with them on territorial conflict resolution and updating of communal statutes, and provided training to improve their knowledge of REDD+ and REDD+ social and environmental safeguards (REDD SES).
- We also facilitated a dialogue between the Ese'ejá communities (Sonene, Palma Real and Infierno) and the TNR management to plan sustainable harvesting of specific natural resources within the reserve.

In terms of increasing the participation of indigenous peoples in economic incentive activities we achieved the following:

- AFIMAD obtained Fair-Trade certification for its 140 Brazil nut members, which will allow them to strengthen their organization and participation of their partner communities.
- ASCART obtained a loan of \$52,000 from the state economic incentives for competitiveness program PROCOMPITE.

In terms of encouraging the participation of indigenous women in the different activities of the project and some of the outcomes we achieved the following:

- We had 3,426 participants in our training events in Ecuador, with an average participation of 35% of women. Of note was the high level of participation of women in the validation of training necessities workshops, where their participation reached 50%.

- Meanwhile, capacity building in the community Infierno had an average female participation of 45%, and Brazil nuts processing training in ASCART had an average participation of 76% females. Additionally, our support of the commercial agreement between CANDOR and ASCART increased the economic benefits received by the female Brazil nut peelers by providing three months of additional work. Finally, the loan we helped ASCART obtain will help improve the working conditions of the female peelers by for example constructing appropriate washroom facilities.

In terms of promoting the participation of indigenous peoples in spaces for public discussion we achieved the following:

- Given the growing importance of naranjilla for the six indigenous communities living in the Napo landscape, the naranjilla round table was created to encourage the local participation in the improving naranjilla production and sustainability. The round table meetings are principally held in the communities of Hatun Sumaku, and participation has been impressive with at least five representatives from each of the seven communities at each meeting.

#### **2.2.6 Climate Change - Adaptation**

- We are providing technical assistance to coffee farmers in Cusco to prevent and control the coffee plague roya, which has been exacerbated due to climate change. We have also trained Quelluno district technicians in the same techniques in order extend our impact.
- We carried out a farm diagnostic with the agricultural coffee cooperative Paquivo in Ivochote using the Rainforest Alliance climate module criteria, which focuses on adaptation and climate change mitigation.

#### **2.2.7 Climate Change (REDD+, Sustainable Landscapes)**

- The agricultural coffee cooperative Paquivo of Ivochote together with RA carried out a farm diagnostic using the Rainforest Alliance climate module criteria in coffee farms, which focuses on adaptation and climate change mitigation.
- We provided training to FENAMAD to improve their knowledge of REDD+ and REDD+ social and environmental safeguards (REDD SES).

### **3. NETWORKING AND SYNERGY**

#### **3.1. ANDEAN AMAZON LEVEL**

The inclusion of two landscapes in the project presents an opportunity to share knowledge, best practices and lessons learned about effective, sustainable,

scalable practices from two distinct areas of the Andean Amazon in order to foment a more comprehensive understanding of the best approach to promoting the protection and conservation of protected areas and buffer zones in the chosen landscapes and in other key global biodiversity hotspots. In line with this, we are utilizing internal regional coordination through monthly and quarterly meetings and sharing of technical and strategy documents to promote lessons learned within the project, and share similar strategies within each component and technical area.

### **3.2. NATIONAL LEVEL**

A joint proposal with the US Forest Service to develop a tool to measure the number of visitors and their impacts on protected areas for the MAE was agreed upon; work will begin in the next quarter.

### **3.3. SUB NATIONAL LEVEL**

- To enhance the intervention in the Napo province with all actors in the different dialogue spaces (thematic groups), work agreements have been established in line with the objectives of the National Plan for “Buen Vivir” and environmental agenda of Napo. The agreements include dividing the territory intervention by theme and geographical area to avoid duplication of efforts and seeking synergies to enhance the impact of interventions. These agreements include government agencies, communities, civil society organizations and international cooperation.
- In MDD, we have been coordinating efforts with the other USAID partners working in the region, including Perú Bosques, ACCA, Desarrollo Alternativo, CARITAS, and WWF. Our combined efforts for example working with the Forestry Roundtable and the biodiversity conservation strategy will ensure greater impact at the regional level.

### **3.4. LANDSCAPE LEVEL**

Ecuador:

- We are leading the development of the Hatun Sumaku land use plan in close coordination with the National Planning Secretariat (SENPLADES) and autonomous decentralized government of Napo province (GADPN). Additionally, we are advancing in the development of the Sumaco Protected Forest Management Plan together with the Ministry of Environment.
- As part of the discussion process at the local level of the insecurity situation present in the CWR, a series of actions have been generated that involve different state bodies. Actions and activities that were taken by MAE, and in conjunction with the Ministries of Tourism, Interior and Defense a joint agreement was signed with the main objective to strengthen security in the CWR.
- With the MAGAP, we agreed to collaborate in the implementation of the forestry incentives program (reforestation) in the Hatun Sumaku parish; an agreement of similar magnitude was made with the Ministry of Environment and the Socio Bosque program.

Peru:

- In the Megatoni buffer zone, we worked on an alliance with the NGO ProRural and their Alternating Schools Program, who then developed a technical-productive proposal with the secondary school students and their parents. We are currently working on a single agenda for sustainable integrated management of farms and thus achieve a more widespread impact of the project. Similarly, we are working in coordination with the technical staff of the Megantoni National Sanctuary.
- With the Quellouno Municipality we are working to support the ZA SNM coffee and cocoa producers with technical support packages, tools and supplies.
- With the National Agrarian Health Service SENASA we provided information and logistical assistance to project beneficiaries for the distribution of aid packages to control coffee rust.
- With ACCA we are working to develop management plans for Brazil nut harvesting in the communities of Tres Islas, Puerto Arturo, Boca Pariamanu, Palma Real and Sonene, and with WWF a forest management plan for Boca Pariamanu.

### **3.5. OTHERS**

## **4. IMPACT OF LEVERAGED RESOURCES**

Farmers and associations of Brazil nuts and coffee producers in Peru have gained access to new government funding sources to improve the quality and quantity of their products, and improve infrastructure. While in Ecuador the MAE, the Cuyabeno Parish and tour operators are providing significant support in the implementation of sustainable tourism practices.

## **5. PERFORMANCE MANAGEMENT PLAN**

During the FY 13 we achieved some important results in our indicator advancement:

Shared Indicator 1:

- After few month of intense work in the Napo province we are able to include hectares making up the Hatun Sumaku parish.
- In the Cuyabeno Wildlife Reserve maintained the hectares with the continuous support of sustainable tourism activities.
- Our work with five communities in Madre de Dios allows us to report their hectares, as well as the ASCART Brazil nut concessions.
- In Cusco we can report the hectares of 153 farmer due to the technical assistance and training in sustainable agriculture topics and the farm limit collection we carried out.

Shared indicator 4 and 5: the first economic incentive and the related hectares coincide with the additional price obtained because of the organic Brazil Nut certification.

CAP 2 and CAP 3: A total of 207 trainings with more than 5,000 participants reflects the intense field work and capacity building efforts of our consortium.

The shared indicators 7 (33 products) and 8 exceeded their targets as well as shared indicator POL 1 with 12 PLARs.

## **6. SUCCESS STORIES**

### **Tourism as a biodiversity conservation tool in protected areas of Ecuador**

Our main efforts have focused on strengthening management of tourism work in protected areas, with an initial focus on the Cuyabeno Wildlife Reserve. We supported the implementation of best management practices in sustainable tourism with tour operations, and provided training and technical assistance to the Reserve and tourism industry.

Our technical assistance and training work has produced concrete results in several important areas. We helped define minimum criteria for environmental regulations that guide tourism activities. Our work has resulted in improved risk management planning by participating businesses, and in better guide services provided to visiting tourists. We helped bring about enhanced infrastructure services and improved regulations governing river transportation services. In addition, our work has resulted in agreements between tour operators and local communities that establish clear and equitable environmental codes of conduct to be followed by all parties in the Reserve.

All of these concrete contributions have made tourism a more viable option for contributing to biodiversity conservation and sustainable employment generation within the Cuyabeno Wildlife Reserve. These experiences have allowed us to extend and upscale our work into the Limoncocha Reserve and Yasuní National Park, where similar environmental and developmental challenges, unique ecosystems, and demand for tourism development exist.

This expansion into the three protected areas produced an operational manual for sustainable tourism adopted by the Ecuadorian Ministry of Environment for use in the three protected areas. The manual is a required technical tool that sets standardized operating criteria and indicators for sustainable tourism management practices in accordance with existing conditions in each of the three protected areas. The reserves are already implementing several regulations such as the prohibition of catch and release piranha fishing that was shown to have negative impacts on the species.

### **Making sustainability more competitive through access to credit**

Farmers and associations of Brazil nuts and coffee producers in Peru have gained access to new funding sources to improve the quality and quantity of their products, and improve infrastructure.

Provision of a range of new financial products and services, business plans, and organizational strengthening enabled ECOCREDIT to offer 50 loans needed to renovate and improve the quality and production of 400 hectares of coffee plantations in Cusco. ASCART, an association that comprises 52 families, received 176,000 new soles (Peruvian currency) from the Promotion and Competitive Fund to improve the working conditions of more than 60 women who are in charge of the Brazil nut peeling process.

Both ASCART and RONAP, an organization of 34 Brazil nut concessions, received soft loans for operating credit from the Banco de Fomento del Estado. With these loans the two organizations no longer have to depend on credit provided against their sales and they have also been able to eliminate intermediaries whose fees previously limited their profits.

## **7. ENVIRONMENTAL COMPLIANCE**

To address potential unmitigated impacts on biodiversity and the environment when best management practices are not sustained by local farmers and foresters beyond the life of the project, in accordance with the mitigation measures included in the EA, we have finalized guides sustainable palm harvesting (aguaje and unguraje), and are in the process of developing training materials for low impact logging. In the meantime our field training in BMPs is constant.

In agriculture we have developed materials covering the ten principals of the SAN standard and are training farmers, associations and agricultural extensionists in its use. We are also working toward incorporating BMPs in the agriculture technical assistance programs of two municipalities.

In terms of annual evaluations of the implementation of forestry BMPs, since the FY13 harvest has just completed, we will begin carrying out these evaluations in the next quarter. In agriculture, 140 farmers with SAN certification passed an audit in June. An additional 180 farmers received a diagnostic audit of their compliance with the SAN standard, and corrective action plans were developed based on the results.

In regard to implementing the suggested mitigation measure for ensuring project activities do not cumulatively impact already overwhelmed environmental governance institutions, we have been providing technical and logistical assistance to the regional forestry division of MDD. In terms of carrying out a deeper analysis of the division's challenges in supervision, monitoring, and evaluation of BMPs, the high rate of turnover within the entity has been an obstacle for advancement. To address this, we will continue to work with the authorities in charge, while maintaining steady engagement with lower level technical staff so as to not overburden their responsibilities.

## **8. SUMMARY**

### **8.1 Achievements:**



- To improve the management of tourists in Lake Sandoval, TNR's main tourist attraction, we carried out a study with TNR authorities on the limits of acceptable change, which resulted in regulation agreements between public authorities and tourism operations, the establishment of monitoring criteria, and becoming a regional reference for managing tourism attractions.
- We facilitated the resolution of a 16 year border dispute between native communities Tres Islas and San Jacinto in Madre de Dios.
- In Ecuador, a tourism operations regulations manual developed for CWR, LBR, and Yasuní National Park was shared with key stakeholders such as reserve rangers to improve their skills in controlling and monitoring tourism activities and operators; the reserves are already implementing several regulations such as the prohibition of catch and release piranha fishing.

## **8.2 Challenges and Adjustments:**

We expanded the geographic area of intervention in Ecuador to include a greater part of the Napo River watershed. This expansion is in response to the recent increase in civil unrest in the CWR area, which increased the risk of danger to project staff, and reduced the probability of the project conceptual model functioning as designed.

To determine the scope of the expansion, we carried out an extensive planning process that included collecting primary and secondary information, consulted and coordinated with MAE, USAID representatives overseeing ICAA, GIZ, the Napo Provincial Government, and potential beneficiaries in the proposed areas, and worked together with our AOR to adapt the activities in the FY13-14 WP. The adjusted activities are proposed under the same project objectives.

## **9. Annexes**

### **9.1 Annex A – List of Acronyms**

### **9.2 Annex B – Maps**

### **9.3 Annex C – Revised PMP**

## **10. Implementation details**

### **10.1 TABLE 1. Targets and Achievements Table – ICAA-wide Indicators.**

### **10.2 TABLE 2. Funding Level**

### **10.3 TABLE 3. Targets and Achievements Table – Partner Indicators**

### **10.4 TABLE 4. Activity Description**

### **10.5 TABLE 5. Funding Sources**